J.J. 880

# BEFORE THE SURFACE TRANSPORTATION BOARD

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	Part of
·	) Public Record
In the Matter of:	
RAILROAD COST RECOVERY PROCEDURES - PRODUCTIVITY ADJUSTMENT	Ex Parte No. 290 (Sub-No. 4)

# COMMENTS OF THE WESTERN COAL TRAFFIC LEAGUE

### WESTERN COAL TRAFFIC LEAGUE

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Its Attorneys

Dated: February 23, 2011

# BEFORE THE SURFACE TRANSPORTATION BOARD

In the Matter of:  RAILROAD COST RECOVERY PROCEDURES - PRODUCTIVITY	)	Ex Parte No. 290 (Sub-No. 4)
ADJUSTMENT	)	

#### COMMENTS OF THE WESTERN COAL TRAFFIC LEAGUE

In response to the Board's decision in the above-captioned proceeding served February 7, 2011, the Western Coal Traffic League ("WCTL")<sup>1</sup> submits the following comments concerning the Board's proposed calculation of productivity for 2009 for use in the Rail Cost Adjustment Factor productivity adjustment.

WCTL concurs in the Board's calculation of the input index value of 0.861 for 2009. WCTL notes that the input index value utilizes publicly-available information and that the calculation is thus transparent.

WCTL is not aware of any information that undermines the accuracy of the Board's calculation of output index value of 0.847 for 2009. WCTL notes, however, that the Board uses the costed waybill sample to calculate the output index and that the costed waybill sample is generally not available to shippers. WCTL is thus not in a position to replicate or verify the Board's calculations.

<sup>&</sup>lt;sup>1</sup> WCTL is a voluntary association, whose regular membership consists entirely of utility shippers of coal mined west of the Mississippi River that is transported by rail. WCTL members presently ship and receive in excess of 175 million tons of coal by rail each year. A list of WCTL's members is attached as Exhibit A.

In addition, WCTL notes that the Board's output index calculation seeks to reflect actual railroad output. WCTL believes that the railroads could have moved additional traffic volumes in 2009 if the railroads had been willing to offer lower, albeit still profitable, rates. The decline in the output index and overall productivity in 2009 is thus not entirely attributable to the nation's recession, but is also a function of the railroads' pricing practices and their lack of competition.

Respectfully submitted,

WESTERN COAL TRAFFIC LEAGUE

William L. Slover /s/ Robert D. Rosenberg Slover & Loftus LLP 1224 Seventeenth Street, N.W. Washington, D.C. 20036 (202) 347-7170

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Its Attorneys

### **EXHIBIT A**

## WESTERN COAL TRAFFIC LEAGUE MEMBERS

Ameren Energy Fuels and Services

Arizona Electric Power Cooperative, Inc.

**CLECO Corporation** 

Austin Energy (City of Austin, Texas)

**CPS Energy** 

Kansas City Power & Light Company

Lower Colorado River Authority

MidAmerican Energy Company

Minnesota Power

Nebraska Public Power District

Omaha Public Power District

Texas Municipal Power Agency

Western Farmers Electric Cooperative

Western Fuels Association, Inc.

Wisconsin Public Service Corporation

Xcel Energy

# **Certificate of Service**

I hereby certify that today, February 23, 2011, copies of the foregoing Comments of the Western Coal Traffic League have been served on all parties of record in this proceeding by first class mail, postage prepaid, in accordance with the Board's Rules of Practice.

/s/ Robert D. Rosenberg